GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:2228
ANSWERED ON:14.12.2004
CONSUMPTION OF FERTILIZERS
Modi Shri Sushil Kumar

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

e:

(a) Whether there has been a shortage in the consumption of fertilizers in Bihar during the last three years;

(b) if so, the details thereof, and the reasons therefore, fertilizer-wise;

(c) whether an amount of Rs.800 crores of the fertilizer companies are outstanding with the Government of Bihar;

(d) if so, the reasons therefore;

(e) whether a number fertilizer companies have stopped the transaction of the sales of fertilizers in the State of Bihar; and

(f) if so, the action being taken by the Government to provide easily fertilizers at reasonable rates to the farmers in the State?

Answer

THE MINISTER OF CHEMICALS & FERTILIZERS AND MINISTER OF STEEL (SHRI RAM VILAS PASWAN)

(a) The consumption of fertilizers in Bihar during 2002-03 was a little higher than in 2001-02. The consumption in 2003-04 was marginally lower than the previous year.
(b) Fertilizer-wise details of consumption in the State of Bihar during the years 2001-02 to 2003-04 are as under:

(Quantity in `000 tonnes)

Fertilizer	2001-02	2002-03	2003-04
Urea	1201.40	1256.10	1309.29
Ammonium Sulphate	13.30	13.50	10.38
Calcium Ammonium Nitrate	0.00	4.00	11.38
Di Ammonium Phosphate	189.50	186.60	60.46
Single Super Phosphate	57.50	74.60	25.21
20:20:0	19.00	4.90	0.98
12:32:16	35.60	41.50	37.68
15:15:15	1.40	0.90	1.94
Muriate of Potash	72.60	33.30	31.86
Grand Total	1590.3	1615.4	1489.18

(c) Settlement of an estimated amount of Rs. 59.54 crore in the form of balance payment of concession on sale of decontrolled phosphatic and potassic (P&K) fertilizers to the manufacturers/importers of fertilizers is awaiting sales certification from Bihar Government. However, actual amount payable would depend upon the extent of sales certification. In addition, in respect P&K fertilizers sold during October 2002 to August 2003, full payment of concession is to be made only after receipt of sales certification from the State.

(d) The State Government had discontinued issuance of certification of sales of P&K fertilizers beginning sales made in October/November 1998. This was a fall out of institution of an enquiry by the State Vigilance Department subsequent to observations of C&AG that the then Director (Agriculture), Bihar had issued sales certification for the years 1994-95 to 1997-98 without following the State`s instruction in this regard. Subsequently, in February 2002 the State requested for investigation into the matter by Central Bureau of Investigation. As the State failed to resume the process of sales certification despite repeated requests, the Department of Fertilizers discontinued the facility of `On account` payment of concession on P&K fertilizers sold in Bihar during October 2002 to August 2003.

(e) As far as urea is considered, as the movement is being made under EC Allocations, there are no stoppages in supplies. However, other de- controlled fertilizers, especially Single Super Phosphate and Di Ammonium Phosphate supplies have been affected as some companies stopped supplies to Bihar due to non-certification of sales by the State.

(f) After taking up the matter with the Government of Bihar, the sales certification beginning sales made in October 1998 has since been resumed. The Department has also restored facility of `On account` payment of concession beginning sales made in September 2003 onwards. Also, as a long-term policy measure, the Government proposes to make procedural changes in sales certification by the States/UTs under the Concession Scheme.